



Effectiveness of Money Laundering Investigation in Combating Transnational Crime

Nelson Cheng
Visiting Fellow
Center for Northeast Asian Policy Studies
Foreign Policy
Brookings



A Comparison Study U.S. and Hong Kong

- Assess effectiveness in combating transnational crime
- Compare the two regimes to identify respective strengths and weaknesses



Organized Crime

- Transnational
- Mobile
- Efficient
- Secretive
- Exploitation of Jurisdictional Incompatibilities



Effective Law Enforcement

- Crime
- People
- Money





Areas of Assessment

- Money Laundering Offences
- Asset Forfeiture Regimes
- Investigative Powers, Practices and Techniques
- Financial Intelligence Capability
- Domestic Collaboration
- International Cooperation



Highlights of Findings

- The money laundering offences in the U.S. are very restrictive whereas those of HK are robust
- The asset forfeiture regime of the U.S. is comprehensive whereas that of Hong Kong is limited



Conclusions

- The U.S. is good at going after the “Money” but may not be good at going after the “People.”
- HK is good at going after the “People” but may not be good at going after the “Money.”
- Superiority
- Effectiveness



Recommendations

U.S.

- Widen the scope of its money offences

HK

- Review its asset forfeiture regime

FATF

- Recommendations and Evaluation Methodology

UNATOC

- Evaluation and sanction mechanism



Thank You

nelsoncheng@police.gov.hk